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The Us/allies and the Emerging Powers: A Comparative Study of National Capabilities

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Abstract

The study comparatively analyzed the capabilities of the US/Allies and the Emerging Powers with the aim of identifying the most advantageous group and the variable that guarantees long lasting influence among nations. It adopted the Realist theory as framework and employed the content analysis design based on secondary data obtained by unobtrusive means and analyzed by descriptive and simple percentage statistical tables and chart for qualitative and quantitative data. The study uncovered that the use of traditional elements of states power as measuring instrument reified military capabilities above all other indices; failed to capture the place of national currencies in the determination of states influence. The study argues that the indices of states power are relative, as such none should claim absolution and if any should assume absolution, the finance or wealth of the nation stands a better chance since it interact on a more consistent basis with all other indices of national power to influence. The study concludes that though the US/Allies still maintain an edge over the Emerging Powers in military and technological innovation, the alliance of the most populous countries with enough financial clout is a big challenge. The study recommends that national currency be added as an index of states power; the US/Allies should redirect their investment on defense to the development of the least developed areas of the earth to garner more influence; the Emerging Powers should devote their financial clout towards economic development rather than pursue parity in military terms with the US/Allies to ensure a stable global society devoid of arm race and its attendant consequences.

Keywords: Power; National Capabilities; US/Allies; Emerging Powers; National Currency.

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1. Introduction

During the Cold War analysts and policy experts in Washington warned that China's alliance with Soviet Union could threaten America's preeminent position in global leadership; as such the United States did all within her reach to ensure that China and the former Soviet Union did not foist any close military collaboration. Following the end of the cold war and the dismemberment of Soviet Union/Warsaw Pact, America emerged as the sole super power; prompting Francis Fukuyama to write an article entitled *The End of History and the Last Man*''[1]. Thenceforth, all efforts at comparing the capabilities of rival nations have been centered on the United States and China with less attention paid to the possibility of an alliance between a resurgent Russia, a more assertive China and other emerging nations. And most of such comparative studies acknowledge the economic ascension of China but concluded that such economic rise cannot challenge the preeminent position of the US in global leadership in fundamental ways [2].

However, the global economic crisis of 2007 -2009 opened up a new vista in the projection of states power and influence as it has brought hitherto unwilling nations into closer collaboration with one another in both economic and military terms. In the first place China and Russia signed a pact forming the Shanghai Cooperation Organization SCO in 2001 and in 2009 masterminded the formation of a new organization called the BRICS (Brazil, Russia, India, China and South Africa); the New Development Bank/Contingency Reserve Arrangement thereby creating a new military and economic balance bringing to reality the worst American fears- China and Russian alliance [3,4].

The problem therefore is to comparatively analyze the capabilities of the US/Allies and the Emerging Powers in a bid to identifying the strength and weaknesses of the contending nations and the variables that wields the most tremendous influence among the peoples of the world. Though it has been argued that the emerging powers cannot possibly form a cohesive alliance against the US/Allies considering the frequent border clashes between China and India [4]; but since they have been able to create fora through the BRICS and Shanghai Cooperation Organization where they can interact on a frequent and consistent basis; embarked upon initiatives and the productions of smart weapons such as Air Defense Identification Zone ADIZ and the Anti-Access Area Denial A2/AD that aimed at limiting US/Allies influence and the fact that they have been consistent with common opinion against US/Allies unilateralism and their quest for a multipolar world order in the management of the international system is indicative of the challenge they pose to US/Allies preeminent global position [5,6].

Accordingly, this study sees those institutions and initiatives as grand design by Emerging Powers especially China and Russia to limit the influence of US/Allies in the system. The amalgamation of India, South Africa and Brazil is to guarantee China and Russia a global reach. Such a convergence have prompted the need for a comparative analysis of the capabilities of the group under study in a bid to identifying the most advantageous group and the variable that guarantees more enduring influence among nations. The questions therefore are what is the concept of national power and its identifiable indices? How can such indices be compared among the nations under study to determine groups at advantage in national capabilities? And which of these indices wields the greatest influence among people and nations of the world? The above questions shall be addressed through the historical content analysis approach based on secondary sources of data sourced by unobtrusive means.

Though the above approach is limited to recorded information, failed to interrogate the processes that brought about the recorded information and that the problem of bias is always evident in the choice of document to be analyzed, the fact that the process is unobtrusive and emphasized on the validity of credible multiple sources made it the choicest approach for the study. Having said that, the starting point for this endeavor shall be the clarification of the concept of National power.

1.1 National Power

There is no consensus among scholars of political science and international relations regarding a generally accepted definition of the concept of national power; nevertheless, Realism as a theory and its adherents stresses the overwhelming importance of material capabilities expressed militarily in the determination of national power [7,8]. Therefore, concepts as capability, ability, influence and control are ever present in most definitions of power and manifests in Morgenthau's definition of power as 'man's control over the minds and actions of other men... political power as a psychological relationship between those who exercise it and those over whom it is exercised'[9]. For this study therefore, national power is conceived as the capabilities/potentials at the disposal of any state and the ability of such a state to influence or control other members of the international community to act against their will in favor of the nation that possess such capabilities.

The above definition suggests that power could be dormant or active; it is dormant if the nation that possesses it cannot turn it into influence and power becomes active when the nation that possesses it influences others by it. Power can compel obedience or induce willing obedience: it compels obedience if it relate to military force while it induces willing obedience if it has to do with economic or financial influence on others. But this study argues that economic or financial power has the greatest and long lasting influence on both men and nations. The question on the visible indices of states' power and how they can be compared among the contending nations is better addressed in the following sections as it comparatively analyze how such indices work to increase or limit the influence of the US/Allies and the Emerging Powers.

1.2 The Indices of National Power

The indices of national power has well been articulated by Morgenthau to include geographical location, population, military might, economic capacity, political culture, quality of diplomacy, quality of leadership and national morale[10]. While the above almost entirely captured the essence of national power, it is more concerned with what has been termed 'hard power' with less regard to other indices with which states can influence their counterparts. Consequent upon such identified gap, Nye has been able to point out the importance of other milder elements in what he termed 'soft power' in the determination of state influence. Some of such indices emanates from a 'nations culture, political values, and foreign policies, spread by liberal institutions like the universities, churches, companies, foundations etc. that a state promotes'. He argued further that economic warfare withal and even the military can be a source of soft power especially when it touches 'military-military cooperation/ training program and military distribution of humanitarian aid in complex emergencies such as natural disaster' [11,12].

While all these add to the ability of a state to control others, it fall short of according national currency a place as an index of power. The growing influence of national currency as an index of state power has prompted The Economist to describe the US dollars as ‘the pillar of American soft power’[13]; thereby underscoring its importance in the measurement of state’s power. Consequent upon the above, the power of the states under study and the influence they wield on others will better be appreciated with a comparative analysis of the above listed variables.

1.3 The Capabilities of the US/Allies and the Emerging Powers in Comparative Term

Attempts by Brookes & Wholforth to comparatively analyze the capabilities of US/Allies and the Emerging Powers through such indices as military capacity, economic ware withal, and technological capacity as measuring instrument though acknowledged the potentials of the Emerging Powers especially China, but concluded that China’s capabilities face major challenges such as low technological level, a bigger US/Allies military advantage, harder transition from economic capability to military power and from a great power to a super power. Consequently, they concluded that the US/Allies will remain dominant in the foreseeable future [14]. Since the above measure relied only on a few variables, this article argues that certain determinants like geostrategic location, population, and the character of national currencies were left uncovered and the need for a broader measure taking into account the uncovered variables with geostrategic location as a starting point.

1.4 Geostrategic Location

In the first place the location of states on a given geographical landmass confers certain advantages or disadvantages in terms of raw materials/natural resource availability and access to the sea [15]. If a state is landlocked such a state can hardly make independent foreign policies choice without consulting the state that permits her access to the sea. But a coastal state has more freedom of choice on foreign policy issues. The above could explain why Morgenthau, noted that “geography is the most stable factor upon which the power of state depends” [16]. The question therefore is how well are the US/Allies located compared to the Emerging Powers? The answer to the above question is addressed in the analysis section. Nevertheless, as important as the geostrategic location, it must take human ingenuity to exploit her resources to one’s advantage and such human ingenuity can only be located in the demography or population of a given nation. As such the study’s attention will be focused on the population element of the power of a state in the subsequent section..

1.5 The Population of the US/Allies and the Emerging Powers Compared

Population as an element of state power, could be viewed from the quantitative, qualitative and leadership angle. Quantitatively, it refers to the volume of human capital available to a nation. The higher the volume of human capital, the cheaper the labour at the nation’s disposal; the cheaper the labour, the more foreign firms are willing to establish industries in such a location. Moreover, the larger the population the larger the market; the larger the market the higher the turnover of goods and services; and ultimately the higher the revenue accruable to the nation having such population. Consequently, it is imperative to present a comparative figure of the US/Allies and the BRICS with a view to unearthing its impact on their power capabilities.

In qualitative terms, the key words to understanding the quality of a countries demographic distribution are “input and output” [17]. By input, we stress the material investment in human capital and infrastructural development. Such investment is often targeted towards “education, skills acquisition, tacit knowledge and health of the populace” [18]. Whereas the resources devoted to developing the quality of human capital and innovation in technology is one aspect of the input, the other aspect is the skill level of those who use the resources for innovation [19]. Such quality is better appreciated in what is termed Research and Development (R&D) as it indicate the volume of resources a nation devout to the development of its human capital/

1.6 US/Allies and the Emerging Powers Defense Capabilities Compared

When comparing defense capabilities, attention have traditionally been place on defense expenditures which give insight to the preference of nations in terms of military preparedness. But Brookes & Wohlforth, contended that, “studies relying on this approach... failed to address an important objection: that military expense is a matter of choice and it may be misleading to use such number to capture something that is a limitation on choice. Therefore, they contend that military capabilities should be measured in terms of the “flow and the stock” [20]. While the above represent an approach to arrive at a more objective result, the study contends that they placed undue deference on the stock as against the flow forgetting that the flow actually created the stock over time. Consequently this study shall take a comparative analysis of the flow and the stock in the analysis section.

1.7 Economic/Financial Capabilities of the US/Allies and the BRICS

It has been argued that economic/financial capabilities measured in Gross Domestic Product (GDP) do not reflect the true wealth and power of a nation. Reasons adduced to the above being that “converting economic output into military power and technological capacity is a complex and time consuming process; such measure is developed in and for era of mass production; it fails to capture the significance of information, sustainability and economic globalization; it also undercut the growth of data driven activities and that national account does not meaningfully assess power in global political economy [21, 22, 23,24].

Though the above objections contain some merits, this study contends that the use of GDP as a measure of state power cannot easily be discountenanced because of the aphorism that says ‘the journey of a thousand miles starts with the first step’. Before the “Rise of the Rest” [25], it has been the custom to use such measure and it accounted for one of the reasons the US/Allies were seen as the dominant states in the system; now that other states are gaining clout through the same measure the standard should be sustained. Consequently, the economic /financial capabilities of the US/Allies and the BRICS shall be comparatively analyzed.

The place of economic or what the study prefers to call financial capabilities of a nation in the measurement of states power cannot be overemphasized because economic growth produces political confidence which enable statesmen to undertake adventurous and independent foreign policy initiatives. For instance China/Russia A2/AD, ADIZ, NDB, CRA, AIIB and the OBOR initiatives demonstrate how financial capabilities can enhance confidence building [26]. Had China not grown in wealth, she could not have got the confidence to embark upon

such bold policy initiatives that run counter to the interest of the US/Allies. The above could explain why Kennedy stated that “wealth is usually needed to underpin military power” [27]. In other words it takes great wealth to build formidable military especially in the era of advance technological innovations. The industrial capacity that is needed for modern productions must be built by huge financial outlay, lack of which could mean either no capacity or projects abandoned. For instance an attempt by the Russian Federation to build a nuclear powered air craft carrier in the 1990s was abandoned due to the uneconomic nature of the project. In other words the lack of financial resources constrained Russia in an attempt to develop such technology that could have placed her at par with the US as the only countries that have nuclear powered air craft carrier. And since the US alone could afford it, it remained top in that category of armament and many others.

Moreover, the technological expertise that is needed to arrive at such high-tech equipment for modern warfare must be acquired through training and retraining which can only be assured by huge financial outlay in Research and Development (R&D). Consequently, the US/Allies remain on top in terms of innovation and inventions in both civil and military circles spending to the tune of ‘\$894.94 billion in 2016’ [28]. The outcome of such huge expense in research and development could be seen in the number of operational satellites, nuclear powered submarine and air craft carriers under the control of the US/ Allies.

Added is that it takes great wealth to supply modern forces in peace time and war time. It is on record that the US/Allies controls a total of ‘15,151 serviceable ports besides refueling stations around the world’ [29]; it is also on record that the US/Allies have command structures in all the continents of the world. All these infrastructures and men operating them are daily supplied with food, water, oil and gas, computers, telephones and other communication gadgets. The above can only be sustained by huge financial resources at ones disposal. Consequent upon the above, the financial capability of the nations under study must be given a pride of space in the consideration of the power of the nations; therefore, a comparative analysis of the finances of the US/Allies and the Emerging Powers is of necessity.

1.8 The US/Allies and BRICS National Currencies Compared

Though much stress has been laid on the impact of geostrategic location, population, education/Research and Development, political leadership, military capability and economic ware withal calculated in GDP on the powers of a state; not much has been said regarding the international character of the national currencies as it affects the power of a state. This study make bold attempt to argue the case for national currencies as an index of state power considering the influence currencies wield on citizens and nations of the world. To better understand the place of the national currencies in the determination of the power of states, it is therefore imperative to make a comparative analysis of the national currencies of the nations under study, refer to analysis section.

Though the study acknowledge the role of a nation’s military in the determination of the powers of states as argued by realist scholars, but it contends that the indices of states power are relative. By relativity, we mean that the elements of states power interact with one another to produce the needed influence. So to reify one especially military capability in the measurement of states power renders other indices of states power

inconsequential. The study contends further that if there is any index of state power that should be reified or that could attempt to lay claim to absolutism in the measurement of state powers, the financial standing or wealth of the nations and the international character of the nation's currency stands a better chance. Reasons being that the finance of a state is the variable that interacts on a more consistent basis with all other indices of power to produce influence.

The question therefore is how much influence has the US/Allies been able to garner through their military exercise of power? The study's answer to the above question is from empirical observations; it noted that whenever America and Allies call upon the military might to exact influence on the world, they always ended up distancing themselves more from the world [30,31]. The Vietnam War, the Iraq war, the Balkan Crisis, the Libyan invasion etc. are instances to note. Rather than make America more influential, it made her less influential. But any time America call upon her financial prowess to influence the world, it endeared her more to the world, the Marshal Aid Plan, America's response to the 1990 Mexico financial crisis and those of the South East Asia and president Bush Jr. One dollar policy during the Iraqi war tended to legitimize the war. [32,33,34]

In the same vein as China/Russia use their military power to occupy the Spratly Island and the Crimea respectively they became more distanced from their regional neighbours. But the OBOR and AIIB initiatives which even American allies have bought into has endeared China to the world, thereby proving that financial prowess is the elixir that guarantee global influence. As both sides contend for influence in the system it will produce implications that could alter the entire system in a significant way.

3. Data Presentation and Analysis

The data for this article were secondary documents from global think tanks, they includes the Industrial Research Institute's 2016 Global R&D Funding Forecast: A Supplement to R&D Magazine Winter 2016; Stockholm International Peace Research Institute's Fact Sheet: Trends in Nuclear Forces 2016 and Trends in World Military Expenditure 2017; World Bank Data 2016 Total Reserves (Includes Gold, Current US\$); World Economic Forum Document by James Harold 2013 titled Which Country Will Dominate the World Economy?; and Global Fire Power's World Military Ranking 2016. Added are defense strategies of leading nations such as US Department of Defense military Strategy 2012 and 2015, the US Department of the Treasury report to Congress 2016 and Russia's Presidential Decree: military Strategy 2015 The said document were written between 2012 and 2017; and were targeted to the nations under study and the global community for research and policy prescriptions.

The above documents were written by staff members of the global think tanks, experts in the field of international relations and professionals serving under the defense ministries and departments of the nations under study and since these have been in the fore front of collating and analyzing global data and the fact that the defense ministries have been responsible for the nation's security strategy the study had no reason to doubt the authenticity of the document.

3.1 Data Analysis

Whereas question one in relation to the definition of the concept of national power has been treated in the introductory section we had no reason to repeat it at this stage as such our analysis shall focus on question Two and Three. Such analysis were done on the basis of the nature of the data in question, data that are quantitative were presented in statistical tables and pie charts while the qualitative data were analyzed based on the content of the documents in relation to the study.

Question Two (2): How can such indices be compared among the nations under study to determine the groups at advantage in defense capabilities?

The tables and charts below give insights into the analysis of the above question

Table 1: Comparing the National Capabilities of the US/Allies and Emerging Powers

COUNTRIES	% OF LAND AREA PER COUNTRY 2017	CRUDE OIL PPRDUCTION (BARREL) 2016	% OF WORLD POPULATION 2016	% OF R&D PER COUNTRY 2016	% OF GLOBAL GDP	EXTERNAL DEBT/COUNTRY In US \$	EXTERNAL RESERVE IN US \$	% OF GLOBAL ACCEPTABILITY OF NATIONAL CURRENCIES
UNITED STATES	6.1	8,653,000 b/d	4.34	3.4	24	17.910 t	405,942.34 b	80
GERMANY	0.234	48,830 b/d	1.10	2.89	3.45	5.326 t	184,031.31 b	37
UNITED KINGDOM	0.162	787,200 b/d	0.87	1.7	2.39	8.126 t	134,931.83 b	12
JAPAN	0.245	4,666 b/d	1.7	3.58	6.65	3.240 t	1,216,518.74 t	21.6
FRANCE	0.368	15,340 b/d	0.9	2.26	2.36	5.360 t	145,866.05 b	-
US/ALLIES	7.11 %	9,509,036 b/d	8.91 %	14.82 %	38.85 %	39.962 t	2,087,290.27 t	150.6 %
CHINA	6.3	4,189,000 b/d	18.5	2.05	15	983.5 b	3,097,658.40 t	4.0
RUSSIA	11.0	10,110,000 b/d	1.96	1.19	3.3	54.8 b	377,052.19 b	1.0
INDIA	2.0	767,600 b/d	17.5	0.76	6.8	507.0 b	361,694.2 b	1.1
BRAZI	5.6	2,255,000 b/d	2.77	1.16	3.0	544.1 b	364,984.03 b	1.0
SOUTH AFRICA	0.814	3,000 b/d	0.7	0.87	0.1	129.7 b	47,180.12 b	1.0
EMERGING POWERS	25.714 %	19,324,600 b/d	41.43 %	6.03 %	28.2 %	2.669 t	4,248,568.94 t	8.1%

SOURCES: Global Fire Power (2016) Oil Production by Countries; World Bank Data 2016 Total Reserves (Includes Gold, Current US\$);Industrial Research Institute (IRI), Research-Technology Management (RTM) & R&D Magazine 2016 Global Research and Development Funding Forecast, Swift Data 2011 Release of ICC Global Trade and Finance survey.[35, 36, 37, 38]

The above table is better clarified with the following charts which show the standing of US/Allies and the Emerging powers on the indices of states' capabilities.

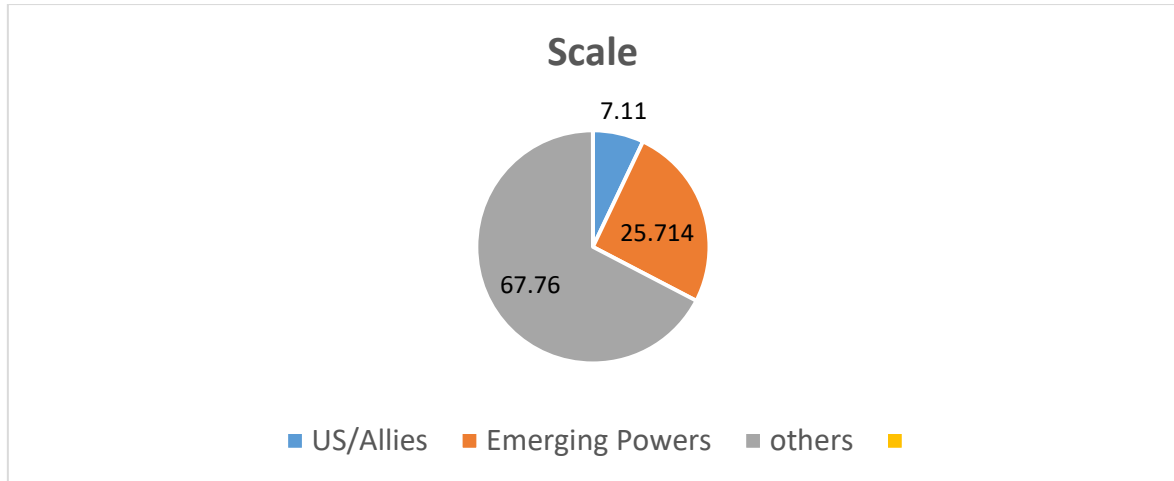


Figure 1: Global percentage of Land Area occupied by US/Allies and the Emerging Powers

The figure above reveal that the Emerging Powers are at advantage in terms of percentage of land area under their jurisdiction.

Apart from having the largest land area, such landmass is also well endowed with energy source such as crude oil; as the figures indicated that while the US/Allies can only boast of 9,509,026 barrel of crude oil per day. The Emerging Powers produces 19,324,600 barrels per day giving them advantage over the US/Allies in terms of energy supply.

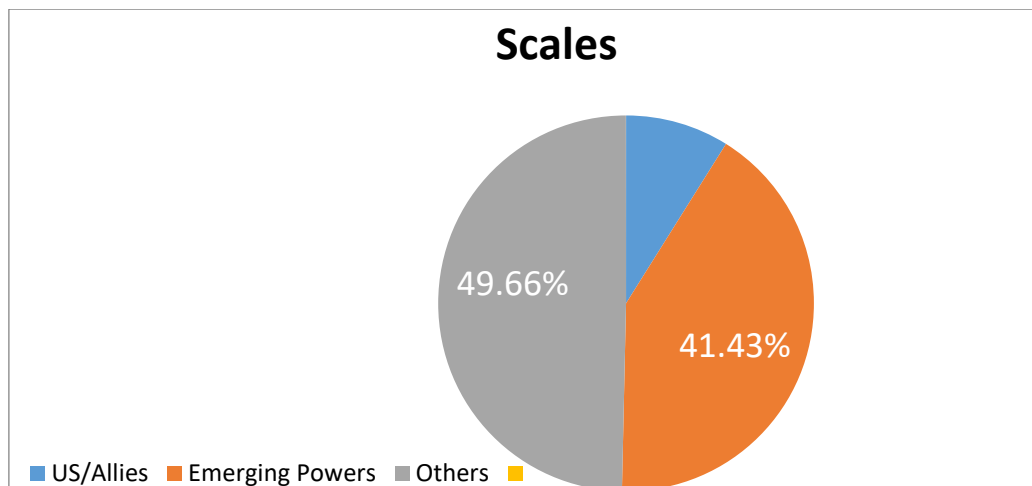


Figure 2: Comparison of the percentage of world population as an index of power between US/Allies and Emerging Powers

On the percentage of world population between the US/Allies and the Emerging Powers as an index of power, the figure shows that the Emerging Powers lead quantitatively with 41.43 percent as against 8.91 percent of the US/Allies in that element of states' power. However, on the quality of investment on each group's human capital in what is termed Research and Development, the aggregate of US/Allies figure put at 14.82 percent is higher than those of the Emerging Powers at 6.03 percent. This implies that the US/Allies leads in terms of the

quality of manpower. In comparing the GDP of the US/Allies and the Emerging Powers table 1 indicated that the US/Allies controls higher percentage of global GDP compared to the Emerging Powers. For clarity, such figures are presented in the chart below.

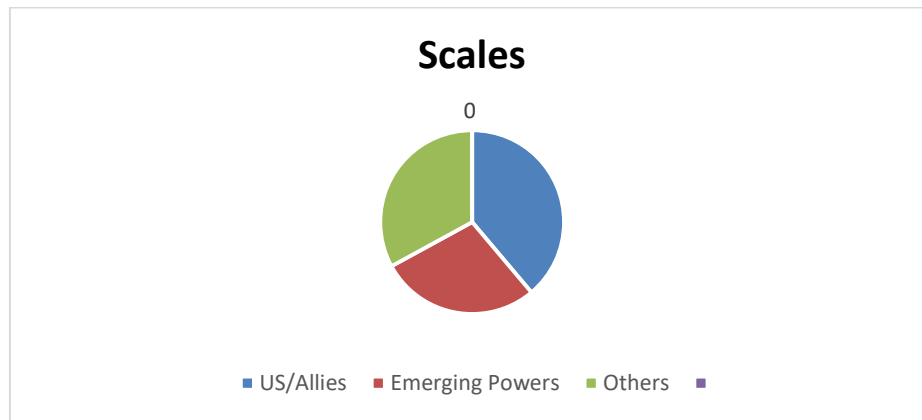


Figure 3: The GDP of the US/Allies and the Emerging Powers Compared

Although the US/Allies leads in economic productivity, table 1 attested to the fact that their external debt burden put at \$39.962 trillion far exceed those of the Emerging Powers at \$2.669 trillion. The low external debt burden of the Emerging powers has great bearing on their foreign exchange reserve which is put at \$4,248,568.94 trillion as against the US/Allies at \$2,087,290.27 trillion. However, in comparing the global acceptability of the national currencies of the groups under study table 1 revealed that the currencies of the US/Allies is more globally accepted than those of the Emerging Powers. Consequently, the US/Allies has been able to project power by influencing the entire world with their national currencies. For clarity, the same is represented in the chart below:-

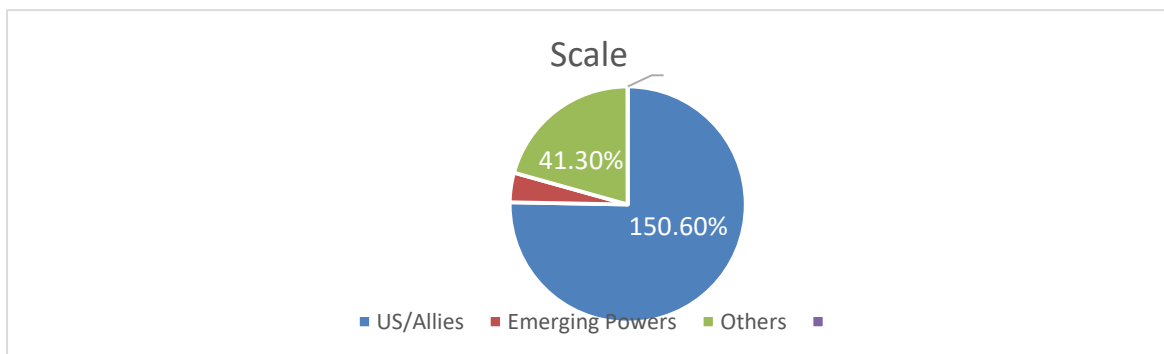


Figure 4: Comparing Global Acceptability of the national Currencies of the US/Allies and the Emerging Powers

Note that 200 percent scale is used for data on national currencies because arriving at exchange rate differential is a two-way traffic since two currencies must interact to arrive at such a differentials.

Table 2: The Flow and Stock of Defense Capabilities of the US/Allies and Emerging Powers.

COUNTRIES	% OF DEFENSE EXPENDICTURE 2016	STOCKPILE OF MILITARY WARES/AIR POWER	STOCKPILE OF MILITARY WARES/NAVAL POWER	STOCKPILE OF NUCLEAR WAR HEADS/ COUNTRY	OPERATIONAL SATELITE PER COUNTRY
UNITED STATES	36	3,762	415	7000	568
GERMANY	2.4	698	81	-	49
UNITED KINGDOM	3.3	856	76	215	42
JAPAN	2.4	1,594	131	-	56
FRANCE	3.0	1,305	118	300	63
US/ALLIES	47.1 %	18,215	731	7515	778
CHINA	13.0	2955	714	260	177
RUSSIA	4.0	3794	352	7290	133
INDIA	3.1	2,102	295	120	78
BRAZI	1.5	697	110	-	16
SOUTH AFRICA	NA	231	30	-	4
EMERGING POWERS	21.6 %	8,779	1501	7670	408

SOURCES: Stockholm International Peace Research Institute (2017) Trends in Military Spending; Stockholm International Peace Research Institute (2016) Trends in World's Nuclear Forces 2016; Global Firepower (2016) World's Military Ranking; World atlas (2017) Countries with The Most Operational Satellites in Orbit [39], [40] [41]

Furthermore, aggregate figure on the flow of investment into the defense sector of the groups under study is clarified on the chart below and it shows that the US/Allies spends more on the defense sector than the Emerging Powers.

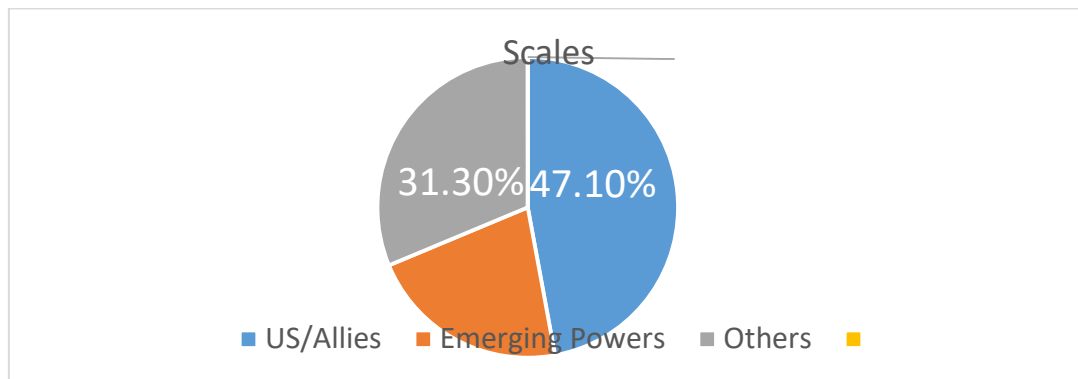


Figure 5: Comparison of the Percentage of Military Expenditure between the US/Allies and the Emerging Powers in 2016

The figure above is reinforced by their aerial capabilities which aggregated to 18,215 against the Emerging Powers total of 8,779. But on the stockpile of naval capabilities the Emerging Powers maintains an edge over the US/Allies. While they control a total of 1501 naval fleet, the US/Allies controls 731 aggregate. But data from Global Firepower (2017) indicated that the US/Allies have a higher number of aircraft carrier put at 29

against the Emerging Powers 5 aircraft carrier, though they have larger number of fleet. The US while acknowledging the strides that China has made in its military modernization drive noted in the Department of Defense 2015 Security strategy that,

China sees a need for the People's Liberation Army Navy (PLAN) to be able to support China's "new historic missions" and operational tasks outside the first island chain with multi-mission, long-range, sustainable naval platforms equipped with robust self-defense capabilities. Although quantity is only one component of overall capability, from 2013 to 2014, China launched more naval vessels than any other country. The PLAN now possesses the largest number of vessels in Asia, with more than 300 surface ships, submarines, amphibious ships, and patrol craft. (par. 7)[42].

More also, on the stockpile of nuclear warheads the aggregate for the Emerging Powers put at 7670 is higher than those of US/Allies at 7515 and Russia is continuing efforts at "strengthening the country's defense (par 30). However, out of the 7690 held by the Emerging powers only about 1790 owned by Russia are deployed while those held by China and India are not yet deployed and according to Stockholm International Peace Research Institute (2016),

the USA maintained a stockpile of approximately 4500 operational nuclear warheads. This included approximately 1930 deployed nuclear warheads, consisting of roughly 1750 strategic and 180 non-strategic (tactical) warheads (P 2) [43].

In addition, on the comparison of operational satellite per country table 2 above reveal that the US/Allies operate the highest number of satellite which is put at 778 against 408 operated by the Emerging Powers, this has also added to the advantage of the US/Allies. Consequently, Chinese Military Strategy noted that increase in defense capability 'posed new and severe challenges to China's military security' (par 10) [44].

Question (3): which of these indices wields the greatest influence among people and nations of the world?

The documents analyzed showed great concern for the role of finance and institutions in the global influence of nations. James a Professor of History and International Affairs, Princeton University while writing for World Economic Forum commented on the role of global finance and financial institutions in the entrenchment of US/Allies global leadership noting that at the 1944 Breton Woods conference the US crafted the post World War II international monetary and financial order. ...today America's leadership in global trade and financial and monetary governance rest on inter-related strength. The US provides the world key international currency, serves as the linchpin of global demand, establishes trends in financial regulation and has a central bank that acts as the de-facto lender of last resort (James for World Economic Forum paragraph 6-7) [45].

He noted further that the US dollar is a force that have enhanced US global leadership, stressing that

...the US remains the undisputed leader in global finance. Indeed, American financial markets boast unparalleled depth, liquidity, and safety, making them magnets for global capital, especially in times of financial distress. This "pulling power," central to US financial dominance, underpins the dollar's global role, as investors

in search of safe, liquid assets pour money into US Treasury securities (Par 13) [46].

Consequent upon the above, the US has over the years ensured that her dominance in global leadership remain entrenched through the instrumentality of IMF/World Bank by ensuring that these institutions serve US national economic objective. This view is evident in the Secretary of the Treasury Department Report to the Congress (2016), it stated that section 1705 (a) of International Financial Institutions Act (IFC ACT) 22U.S.C& 262 r-4(a), requires the Secretary of the Treasury to submit a report on the progress made by (a) the US Executive Director (USED) in influencing the IMF to adopt various policies and reforms...in addition Treasury's office of International Monetary policy and office of the United States Executive Director of IMF (OUSED) communicate with internal treasury offices and other US agencies as appropriate to increase awareness about legislative mandates and identify opportunities to influence the IMF decisions in line with broader US international economic policy objectives (p 2 paragraph 2&4) [47].

Such policy instruments to influence the world through the IMF/World Bank is evident in US advocated conditionality attached to IMF/World Bank grants. As such countries that must access IMF/World Bank grants are expected to deregulate, liberalize and privatize publicly owned businesses. In other words such countries should adopt the Structural Adjustment Program otherwise called the 'Washington Consensus'. This explains why the report of the Treasury Department to the US Congress noted further that, the OUSED plays a strong oversight role in encouraging the IMF management to approve new programs or request for disbursement only after the requesting country has accomplished the required policy actions. If a country fails to meet its commitments the program may be put on hold- and the disbursements cease until the government has taken action to put the program back on track (pp. 15-16) [48].

The use of IMF/World Bank to influence other countries economic policies by the US/Allies has prompted the Emerging powers to question the domineering influence of the US/Allies at these institutions. First, Russia in its Presidential Decree 2015 was concerned that,

the growing influence of political factors on economic processes and an attempt to use separate states' economic methods and tool of financial, trade, investment and technology policies to address its geopolitical problems weakens the stability of the system of international economic relations... Increased interest in the use regional currencies (par 24& 25) [49].

3.2 Findings and Discussion

1. The study found that the military balance is not so disproportionate, while the Emerging Powers are at advantage quantitatively, the US/Allies maintains an edge in qualitative terms and delivery systems.
2. The study's findings support the assertion that global finance as a pillar of world politics wields more influence than military capability; a source of US/Allies global dominance and a catalyst for the struggle for global leadership by the Emerging Powers.
3. The US/Allies has the lowest external reserve and the highest stock of debt burden yet it has not negatively affected the value of their national currencies, economic development and power

projections.

4. National currency is assuming a position of importance in the determination of national power as it has become a new front for national competition.

3.3 Discussion of Findings

The documents analyzed revealed that in comparison of the defense capabilities of the US/Allies and the Emerging Powers, the balance is not so disproportionate. For instance it acknowledged that while the Emerging Powers are at advantage numerically or quantitatively in land area/derivative (crude oil), demography or manpower, external reserve, naval capability and stockpile of nuclear warheads; the US/Allies lead in GDP, defense expenditure, R&D, national currencies, aerial defense infrastructure, the number of deployed nuclear warheads and in qualitative terms especially in military delivery systems.

Moreover, Britain and France, Allies of the US has 120 and 280 deployed nuclear warheads respectively; if these are added to those of the US, you discover that the US/Allies controls a total of 2330 deployed nuclear warheads higher than the 1790 deployed by Russia and the Emerging Powers thereby giving them advantage over the Emerging Powers in strategic terms [50].

Second, through the dominance of global finance and financial institutions the US/Allies have been able to entrench their global leadership in world politics. On the other hand the Emerging Powers have been able to show great influence in the world due to their growing financial clout. This reinforce the view that financial capability wields more influence than military capability. It noted that whenever America and allies call upon their military might to exact influence on the world, they always ended up distancing themselves more from the world. The Vietnam War, the Iraq war, the Balkan Crisis, the Libyan invasion etc. are instances to note. Rather than make America more influential, it made her less influential. But any time America call upon her financial prowess to influence the world, it endeared her more to the world, the Marshal Aid Plan, America's response to the 1990 Mexico financial crisis and those of the South East Asia and President Bush Jr. call on Americans to donate One dollar each to Iraqi children during the Iraqi war tended to legitimize the war. In the same vein as China/Russia use their military power to occupy the Spratly Island and Crimea respectively they became more distanced from their regional neighbours. But the OBOR and AIIB initiatives has endeared China to the world thereby proving that financial prowess is the elixir that guarantee global influence.

Besides, the analysis also highlighted the fact that national currency has become an index of national power that should be giving its due consideration. This has become so important considering the fact that though the US/Allies maintain the highest debt burden and the lowest stock of external reserve, they still remain dominance due to the fact that their currencies are the dominant currencies, revealing that the currencies of the US/Allies are more globally accepted and widely in use in multiple countries whereas the Emerging Powers currencies are not so much in use. Added is that commodity products such as Gold, Silver, Uranium, Diamond, Crude Oil etc. are priced in dollars. The influence the US Dollar wields on the global stage has warranted the term dollar-mania- a term that described the frenzy with which individuals, corporate bodies and governments acquire, store and invest in dollar related instruments. Prompting the emerging powers to push for the issuance of the Green

Bond in the Chinese Reminbi if only to limit the rate at which capital move in the direction of the US/Allies.

To further deepen the international character of the Yuan, the Chinese has entered into swap line agreement with more than 35 countries including Nigeria, Egypt and a host of others. Worthy of note is that China and Russia are initiating policies to distance themselves from the dollars, thereby initiating a currency war between US/Allies and the Emerging Powers and projecting their national currencies to be more internationally accepted. For instance China and Russia are selling off their treasury bonds hitherto in dollars and procuring bullions of gold. China has also initiated a policy to price crude oil in Yuan/Reminbi prompting many to conclude that China is poised to dethrone the dollar as the global payment system. These are made possible by their growing economic capabilities, no wonder Waltz noted that 'great power status cannot be maintained without economic capabilities.' [51].

Based on the above, it is clear that though the US/Allies leads in defense capabilities, but the growth of the Emerging Powers especially China and Russia in finance and quantitative military terms is tending to erode US/Allies lead prompting an emergence of a new arm race that exacerbates the realist concept of security dilemma.

4. Conclusion/ Recommendations

The study concludes that national power relates to the influence its capabilities can wield on others in the system, noting that such capabilities could be 'hard' or 'soft'. While the study acknowledge the role of a nation's military, geostrategic location, population and the economy in the determination of the powers of states, it contends that the indices of states power are relative. So, to reify one especially military capability in the measurement of states power render others inconsequential. The study concludes that the financial standing or wealth of the nation guarantees a more lasting influence. The reason being that, the finance of a state is the variable that interacts on a more consistent basis with all other indices of power to produce influence. And the influence it produces last longer than the influence military power can produce since it produces willing obedience.

The researcher deduced that competition for global leadership is recurrent and that global finance is a spring board for such struggle. Though the US/Allies has the largest stock of debt burden, prompting the term Highly Indebted Rich Countries (HIRC) yet they maintain dominance due to the network of global financial investment instruments and dominant currencies that starch fund away from the emerging and developing economies to where fund meet investments that yield better dividend on currencies whose values are assured. The researcher further inferred that the Emerging Powers are establishing alternative investment instrument through the issuance of the Green Bond in the Chinese Reminbi that can limit capital outflow from the emerging markets and presenting the Reminbi as an international reserve currency. The researcher therefore concludes that such initiatives is tending towards the creation of multiple currency blocs reminiscent of the pre-World War II era and that it could further entrench exchange rate instability and inconvertibility of certain currencies. Moreover, the researcher deduced that the opportunity cost of increased military expenditure is the alternative productive economic sector that is forgone [52]. This is further reinforcing the realist concept of security dilemma and

unless urgent step is taking such trend will ultimately lead to the proliferation of weapons of mass destruction and the possibility of getting into the hands of non-state terrorist organizations.

The study therefore recommends that the national currencies should be added as an index of states power. And for the national currencies of any nation to influence as an index of power it must meet global acceptable standard, it must be widely accepted as a medium of exchange to ensure that those earning it can use it to purchase their goods and services; it should serve as a measure of value so that you may know the worth of what you are exchanging; it must also serve as a store of value so that people will be motivated to keep their wealth in the form of money and it must serve as a standard for deferred payment to ensure that people are willing to lend their money out with the hope that when the money is repaid in future its purchasing power will be assured.

The study further recommends that the emerging powers should devote their economic clout on bettering the lots of their citizenry rather than engage in a fruitless effort to pursue parity in military terms with their rival. Thereby helping to save the world from a third global war with cataclysmic consequences. Added is that rather than influence the world by military means wealthy nations of the world should seek to use their wealth to assist the needy wherever they could be found in the world to bridge the gap of inequality in the entire world and boost their powers thereby..

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